



Joint Appropriations Committee on General Government

*Presented by:
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Fiscal & Legislative Topics

- Captive Insurance Legislation
- Affordable Care Act
- Volunteer Safety Workers' Compensation Fund
- Office of State Fire Marshal
 - Grants and Funds

Captive Insurance – Action

- Offers alternative to traditional insurance market for businesses to manage risk
- S.L.2013-116 “The North Carolina Captive Insurance Act”
- Funding
 - FY 2013-14: \$246,053
 - FY 2014-15: \$338,551

Captive Insurance – Results

- Began Oct. 2013, by Dec. 2013
 - 4 Captive Insurance Co's licensed
 - \$26,214 premium taxes collected
- Calendar Year 2014
 - 52 Captive Ins. Co's licensed (total)
 - \$571,000 premium tax collected
 - (estimate – taxes due by March 1, 2015)
- 1 new licensee already this year

Affordable Care Act

- DOI enforces all applicable State laws on insurance companies and the insurance products they provide, including coverage subject to ACA, including:
 - Compliance with Essential Health Benefits
 - Actuarial value of products
 - Cost-sharing limitations
 - Compliance with rating rules

Affordable Care Act

- DOI Consumer and producer responsibilities:
 - Educate and assist consumers with ACA related issues
 - License insurance professionals selling ACA products
 - Perform market regulation exams to assure insurer compliance with applicable State and federal standards

Affordable Care Act

Overall impact on DOI

- Even under full Federally Facilitated Marketplace (FFM) DOI continues its State-defined role overseeing the State insurance market
- ACA has created additional work volume and complexity associated with regulation of insurance activities and provision of consumer assistance to all in the State market
 - From a few plans per filing pre-ACA to over 100 plans per filing post-ACA

Volunteer Safety Workers' Compensation Fund

Provides Workers' Compensation benefits to emergency first responders

- 42,800 emergency first responders in 1,100 non-municipal fire departments, rescue squads and EMS units
 - (majority volunteers)
- Followed PED Report 2014-01 recommendations
 - Includes:
 - Increasing member premiums to meet future financial obligations
 - Enhance cost-containment efforts by VSWCF Board monitoring data collection and tracking
 - Modify DOI actuarial responsibilities
 - Clarify fund eligibility requirements, etc.

Office of State Fire Marshal

Current Fund/Grant Balances

- Rescue Relief Fund
 - \$992,865.09 distributed January 2015
 - (\$0.00 current balance)
- Firefighter Relief Funds
 - \$4,191,808.36
 - (to be distributed in July/Aug 2015)
- Volunteer Fire Department Fund
 - \$8,745,314.93 (current)
- Volunteer Rescue/EMS Fund
 - \$620,670.90 (current)



Contact Us:

NC Department of Insurance

Consumer Helpline: 1-800-546-5664

Agent Services: 919-807-6800

Website: www.ncdoi.com



Office of State Fire Marshal

Phone: 919-661-5880

Website: www.ncdoi.com/osfm